

**REMARKS**

Claims 1-75 are currently pending, and claims 30, 31, 61, 62, and 64-68 have been withdrawn from consideration. In the Final Office Action mailed July 9, 2007 (hereinafter, "Office Action"), claims 1, 32, and 63 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Publication No. 2003/0074294 to Merkin et al. (hereinafter, "*Merkin*"); and claims 2-29, 33-60, and 69-75 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Merkin* in view of U.S. Patent No. 6,587,768 to Chene et al. (hereinafter, "*Chene*").

In light of the remarks presented below, Applicant respectfully traverses the claims rejections under 35 U.S.C. §§ 102(e) and 103(a), and request allowance of claims 1-29, 32-60, 63, and 69-75.

**I. Claim Rejection Under 35 U.S.C. § 102(e)**

Applicant respectfully traverses the rejection of claims 1, 32, and 63 under 35 U.S.C. § 102(e) as being anticipated by *Merkin*. According to the *M.P.E.P.*, a proper anticipation rejection requires that "each and every element set forth in the claim [be] found, either expressly or inherently described, in a single prior art reference." *M.P.E.P.* § 2131 (citation omitted). The anticipation rejection set forth in the Office Action does not properly establish that each and every element recited in each of claims 1, 32, and 63 is disclosed in *Merkin*.

*Merkin* fails to disclose at least "establishing a second set of warranty characteristics" and "determining at least one modifier as a function of the second set of warranty characteristics," as recited in Applicant's independent claim 1. *Merkin* also fails to disclose "modifying the baseline premium as a function of the at least one

modifier to determine the warranty price,” as also recited in Applicant’s independent claim 1.

Instead, *Merkin* is directed toward a “computer system **warranty upgrade** method and apparatus.” *Merkin*, Abstract (emphasis added). “The method includes receiving, by a warranty processor, a warranty upgrade request from [a] computer system.” *Id.* at ¶ 0007. “The warranty upgrade request includes configuration information for the computer system.” *Id.* “The warranty processor . . . determines a warranty upgrade price dependent on the particular configuration information in the warranty upgrade request.” *Id.*

The Office Action generally refers to paragraphs 0032-0034 of *Merkin* and asserts that these paragraphs disclose the aforementioned subject matter recited in Applicant’s independent claim 1. Applicant respectfully disagrees with this assertion. For example, *Merkin* discloses that

[an] agent [(e.g., a software program)] determines a warranty price using one or more of the following factors: 1) the configuration of computer system 100 . . . , 2) any warranty time remaining on articles in the configuration, 3) reliability of components in the configuration, 4) the age of components in the configuration, and 5) the replacement cost of components in the configuration.

*Id.* at ¶ 0032. “The agent then sends back to the requesting computer system 100 a warranty quote, . . . including a price for an upgraded warranty for a selected time period for this particular configuration.” *Id.* at ¶ 0033. “The user of the requesting computer system (warranty requestor) . . . then pays the quoted warranty upgrade fee . . . .” *Id.* at ¶ 0034. In other words, *Merkin* discloses the determination of a warranty

price based on a number of factors, the warranty price applicable to a computer system in which the components may have preexisting warranty coverage.

While *Merkin* appears to disclose the determination of a warranty price using one or more of a plurality of factors, *Merkin* does not disclose at least “establishing a second set of warranty characteristics” and “determining at least one modifier as a function of the second set of warranty characteristics,” as recited in independent claim 1. Indeed, ***Merkin* does not disclose a modifier**. Further, because *Merkin* fails to disclose “determining at least one modifier,” as recited, *Merkin* cannot further disclose “modifying the baseline premium, as a function of the at least one modifier to determine the warranty price,” as also recited in claim 1.

Moreover, the Office Action states, when discussing the § 103(a) claim rejection at page 5, that “*Merkin* applies to a baseline computer and specific upgrades.” Office Action, p. 5 (emphasis added). However, Applicant’s independent claim 1 recites, *inter alia*, “determining a baseline premium (emphasis added)” and “modifying the baseline premium (emphasis added).”

Although the Examiner is entitled to interpret the claims terms broadly, such interpretation cannot be unreasonable. Indeed, *M.P.E.P.* § 2111 indicates that “claims must be given their broadest reasonable interpretation consistent with the specification.” While the Examiner may not be required to “interpret claims in applications in the same manner as a court would interpret claims in an infringement suit,” the Examiner is required to apply “to verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise

that may be afforded by the written description contained in applicant's specification."

*M.P.E.P.* § 2111. Accordingly, the broadest reasonable interpretation of "baseline premium" must be consistent with the interpretation of the phrases that those skilled in the art would reach. See *id.*

Here, as noted above, the rejection statement appears to incorrectly assert that *Merkin's* "baseline computer and specific upgrades" corresponds to independent claim 1's recitations of "determining a baseline premium" and "modifying the baseline premium." Office Action, p. 5. These assertions represent an unreasonable interpretation of the subject matter recited in the claims and/or the *Merkin* disclosure.

For at least these reasons, *Merkin* fails to disclose or suggest all of the subject matter recited in Applicant's independent claim 1. Therefore, Applicant respectfully requests reconsideration and withdrawal of the rejection of independent claim 1 under 35 U.S.C. § 102(e) based on *Merkin*.

Independent claim 32 is directed to a computer-based system for determining a price associated with a warranty for equipment in a transaction, including, *inter alia*, "a controller coupled to [a] database and being adapted to: . . . establish a second set of warranty characteristics, determine at least one modifier as a function of the second set of the second set of warranty characteristics, and modify [a] baseline premium as a function of the at least one modifier to determine the warranty price." For reasons similar to those outlined with respect to independent claim 1, *Merkin* fails to disclose or suggest at least this subject matter recited in independent claim 32.

Independent claim 63 is directed to a computer program product for determining a price associated with a warranty for equipment in a transaction, including, *inter alia*,

“means for establishing a second set of warranty characteristics; means for determining at least one modifier as a function of the second set of warranty characteristics; and means for modifying [a] baseline premium as a function of the at least one modifier to determine the warranty price.” For reasons similar to those outlined with respect to independent claim 1, *Merkin* fails to disclose or suggest at least this subject matter recited in independent claim 63.

For at least the above-outlined reasons, Applicant respectfully requests reconsideration and withdrawal of the § 102(e) rejection of independent claims 32 and 63 based on *Merkin*.

## **II. Claim Rejection Under 35 U.S.C. § 103(a)**

Applicant respectfully traverses the rejection of claims 2-29, 33-60, and 69-75 under 35 U.S.C. § 103(a) as being unpatentable over *Merkin* in view of *Chene* because the Office Action has failed to establish a *prima facie* case of obviousness as required under 35 U.S.C. § 103(a). The key to supporting any rejection under 35 U.S.C. § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious. Such an analysis should be made explicit and cannot be premised upon mere conclusory statements. *M.P.E.P.* § 2142, 8th Ed., Rev. 6 (Sept. 2007). “A conclusion of obviousness requires that the reference(s) relied upon be enabling in that it put the public in possession of the claimed invention.” *M.P.E.P.* § 2145.

Furthermore, “[t]he mere fact that references can be combined or modified does not render the resultant combination obvious unless the results would have been predictable to one of ordinary skill in the art” at the time the invention was made. *M.P.E.P.* § 2143.01(III) (internal citation omitted). Moreover, “[i]n determining the

differences between the prior art and the claims, the question under 35 U.S.C. § 103 is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious.” *M.P.E.P.* § 2141.02(I) (emphasis in original; internal citations omitted).

A *prima facie* case of obviousness has not been established because, among other things, the cited references, taken alone or in combination, do not teach or suggest each and every feature of Applicant’s claims, and further, there is no suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to combine the references in the rejection statement’s proposed, hypothetical manner. For at least the following reasons, Applicant respectfully requests the allowance of claim 2-29, 33-60, and 69-75.

**A. Claims 2 and 33**

Although the Office Action indicates that claims 2 and 33 are rejected under 35 U.S.C. § 103(a) as being unpatentable over *Merkin* in view of *Chene*, **the Office Action again fails to address the limitations found in claims 2 and 33.** Office Action, pp. 4-6. Applicant respectfully notes that 37 C.F.R. § 1.104(c) requires that the rejection statement provide more than an unsupported assertion that a reference discloses the subject matter recited in a rejected claim. In particular, “[w]hen a reference is complex or shows or describes inventions other than that claimed by Applicant, the particular part relied on must be designated as nearly as practicable,” and further, “[t]he pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified.” 37 C.F.R. § 1.104(c)(2).

In this case, not only are the references asserted by the rejection statement complex, describing many different embodiments, the rejection statement fails to assert how the references purportedly disclose the recitations recited in claims 2 and 33. As such, the rejection of claims 2 and 33 under 35 U.S.C. § 103(a) does not meet the requirements of 37 C.F.R. § 1.104, and thus it is improper for at least this reason.

Further, to establish *prima facie* obviousness under 35 U.S.C. § 103(a), the Office Action must show, *inter alia*, that the applied reference teaches each and every element recited in the claims. *M.P.E.P.* § 2143. Here, by ignoring the recitations recited in claims 2 and 33, the Office Action has failed to show how the cited art purportedly discloses the recitations of this claim. For at least these reasons, the rejection of claims 2 and 33 does not meet the requirements of at least *M.P.E.P.* § 2143 and 35 U.S.C. § 103(a), and thus it is legally improper.

**B. Claim 3-29**

Claims 3-29 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over *Merkin* in view of *Chene*. *Chene* does not, *inter alia*, cure the deficiencies of *Merkin* set forth above. Moreover, the rejection statement's proposed, hypothetical combination of *Merkin* and *Chene* fails to disclose or suggest at least "establishing a second set of warranty characteristics; determining at least one modifier as a function of the second set of warranty characteristics; and modifying the baseline premium as a function of the at least one modifier to determine the warranty price," as recited in Applicant's independent claim 1, from which claims 3-29 depend.

Instead, *Chene* merely discloses the storage and retrieval of data associated with a pre-existing warranty on a vehicle onboard computer. In particular, *Chene* discloses

“a vehicle inspection and maintenance system.” *Chene*, col. 1, ll. 7-8. In the system of *Chene*, “[s]ervice data is input into a portable handheld computing device and transferred from the portable handheld computing device to a vehicle onboard computer.” *Id.* at col. 1, ll. 57-59. “[T]he onboard computer 14 stores all the service data from the various service locations 20a, 20b, 20c, and 20d, along with the warranty data.” *Id.* at col. 3, ll. 6-8. “The service and warranty data is stored together in electronic form on the onboard computer 14 and stays with the vehicle.” *Id.* at col. 3, ll. 8-10.

In addition to the failure of *Merkin* and *Chene* to disclose or suggest all of the subject matter recited, either alone or in combination, the Office Action’s stated motivation is not supported by the references themselves or the knowledge generally available to one of ordinary skill in the art. Further, *Merkin* and *Chene* disclose inventions intended for entirely different purposes from one another, and it would not have been obvious to one of ordinary skill in the art to combine the references. As mentioned above, *Merkin* discloses a system and method for upgrading computer system warranties, whereas *Chene* discloses a system and method for vehicle inspection and maintenance. Thus, a person having ordinary skill in *Merkin*’s art relating to upgrading computer system warranties would not look to *Chene*’s art relating to vehicle inspection and maintenance to solve a fictitious problem unknown to the person in *Merkin*’s art.

Furthermore, the Office Action’s assertion at page 6, that it would have been obvious to one skilled in the art to “modify the warranty calculations of *Merkin* with the warranty characteristics of powertrains of *Chene* because it would be an efficient way to



calculate a warranty for equipment,” misrepresents the teachings of *Chene*. Office Action, p. 6. As stated above, *Chene* does not teach or suggest “determining a base line premium” as the Office Action asserts. *Id.* Rather, *Chene* discloses “[storing] service and warranty data [ ] together in electronic form on the onboard computer 14 . . . .” *Chene*, col. 3, ll. 8-10. *Chene*’s disclosure of storing service and warranty information is not sufficient alone to provide motivation to cause one to combine the references. Indeed, Applicant respectfully submits that it is unclear how a motivation to combine the two very divergent disclosures can be found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. For at least these reasons, it would not have been obvious to use the service and warranty information storage scheme taught by *Chene* with the warranty upgrade method and apparatus disclosed by *Merkin*.

For at least the above-outline reasons, Applicant respectfully requests reconsideration and withdrawal of the rejection of claims 3-29 under 35 U.S.C. § 103(a).

**C. Claims 34-60**

Claims 34-60 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over *Merkin* in view of *Chene*. Claims 34-60 depend from independent claim 32. For at least the same reasons independent claim 32 is allowable, dependent claims 34-60 should also be allowable. Therefore, Applicant respectfully requests reconsideration and withdrawal of the § 103(a) rejection of claims 34-60.

**D. Claims 69-75**

Claims 69-75 stand rejected under 35 U.S.C. §103(a) as being unpatentable over *Merkin* in view of *Chene*. Regardless of whether *Merkin* and *Chene* are viewed

individually or in combination, these references fail to disclose or suggest all of the subject matter recited in independent claim 69. For example, *Merkin* does not disclose “establishing a first set of warranty characteristics, the first set of warranty characteristics including a plurality of geographic regions, each geographic region including one or more countries,” as recited in independent claim 69.

The Office Action asserts that “*Merkin* discloses a method, system and computer program for determining a price associated with equipment including: . . . [e]stablishing a first set of warranty characteristics, including geographic regions, including one or more countries . . . .” Office Action, p. 8. Applicant respectfully disagrees with this assertion. *Merkin* discloses “determin[ing] a warranty price using one or more of the following factors: 1) the configuration of computer system 100 . . . , 2) any warranty time remaining on articles in the configuration, 3) reliability of the components in the configuration, 4) the age of the components in the configuration, and 5) the replacement cost of components in the configuration.” *Merkin*, ¶ 0032. Nowhere does *Merkin* disclose, however, “establishing a first set of warranty characteristics, the first set of warranty characteristics including a plurality of geographic regions, each geographic region including one or more countries,” as recited in independent claim 69.

*Chene* does not, *inter alia*, cure the deficiencies of *Merkin* set forth above. Rather, *Chene* merely discloses the storage and retrieval of pre-existing warranty data on a vehicle onboard computer.

Moreover, as outlined above, Applicant respectfully submits that it is unclear how a motivation to combine the two very divergent disclosures can be found either in the references themselves or in the knowledge generally available to one of ordinary skill in

the art. For at least these reasons, it would not have been obvious to use the service and warranty information storage scheme taught by *Chene* with the warranty upgrade method and apparatus disclosed by *Merkin*.

For at least the reasons stated above, Applicant submits that regardless of whether *Merkin* and *Chene* are viewed individually or in combination, *Merkin* and *Chene* do not disclose or suggest all of the subject matter recited in Applicant's independent claim 69. Further, there is no legally proper suggestion or motivation to combine *Merkin* and *Chene* in the rejection statement's proposed, hypothetical manner. Thus, Applicant respectfully requests reconsideration and withdrawal of the § 103(a) rejection of independent claim 69 based on *Merkin* and *Chene*.

Claims 70-75 depend from independent claim 69. For at least the same reasons set forth in connection with independent claim 69, dependent claims 70-75 are patentably distinguishable from *Merkin* and *Chene*.

### III. Conclusion

Applicant respectfully requests reconsideration and reexamination of this application and the timely allowance of claims 1-29, 32-60, 63, and 69-75.

If the Examiner believes that a conversation might expedite prosecution of this application, Applicant cordially invites the Examiner to contact Applicant's undersigned attorney at (571) 203-2729.


The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicant declines to automatically subscribe to any statement or characterization in the Office Action.

Please grant any extensions of time required to enter this response and charge any additional required fees to our Deposit Account No. 06-0916.

Respectfully submitted,

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